

Wgon J. E. Williams **Bonn Writes...** An Informal News Report

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Bonn

Only a few weeks ago it appeared as if one of the main slogans of the government coalition during the coming federal election campaign would be, "Every German a Shareholder." Pictures of "the little men" proudly displaying their share certificates and discussing the rise and fall in stock exchange values of their own company holdings at their "stammtisch" would appear on hoardings throughout the federal republic.

This idea was given momentary popularity through announcement at the Christian Democratic Union conference in Hamburg early in June that a start would soon be made by issuing so-called "people's shares" in the world-famous Volkswagen Works at Wolfsburg to lower-income groups. The aim was to turn publicly owned enterprises into joint stock companies in which small investors would become owners, in this way taking a definite step toward freeing the West German economy and countering an increasing concentration in industry through modern manufacturing techniques by deconcentration of shareholders. Here appeared a chance to begin the process of making every German worker a capitalist and giving him a stake in the economy.

But, however much may be said for or against an idea which has succeeded in highly industrialized communities elsewhere, there is little possibility of its making much progress in West Germany in the near future. A number of technical and psychological reasons account for this. The government coalition's tardy announcement of an idea which has long been discussed both here and elsewhere, coming now at the opening of an election campaign, is interpreted more or less as a stunt by most people here.

Then, again, it might have been thought that a start could be made with one of the many properties already state owned rather than with the Volkswagen Works, about which there is such dispute concerning legal ownership and the government's right to sell shares as proposed.

The ownership claims of those Germans who contributed their monthly sums during the Third Reich to get a cheap Volkswagen, as promised by Hitler, are still undecided by law courts. Also the State of Lower Saxony, in which the Volkswagen Works are situated, has special postwar claims. Also a clause in the federal Constitution lays down that these works are to be nationalized at a later date. This requires a two-thirds majority of Parlia-

ment to change. These facts suggested much longer preparations by the government for the newly proposed scheme. It is not surprising, therefore, that the present Bundestag legislative period recently ended without anything practical being done in the matter.

The present trustee administration of the Volkswagen Works probably will continue in operation. Especially since investigation among Germans themselves shows little enthusiasm for a change—certainly not under the conditions the government proposes. Workers and lower-income groups, for whom it is intended to benefit, are little interested.

Those in the Volkswagen Works itself have protested against the proposed change by holding a token strike. German workers generally are extremely apathetic and passive on the issue. Recent investigation reportedly showed that only 2 per cent of the workers generally were interested in owning shares.

On his list of priorities Germany's "little man" would place share-owning far down. Today he appears to think first in terms of ordinary savings in the post office or local savings banks; then comes his desire for an automobile and a life insurance policy and a mortgage for his home.

Most trade unions and the Social Democratic Party are opposed to complete private ownership of the Volkswagen Works and would only favor a minority bloc of shares being placed in private hands. Banks and other financial institutions, while supporting the idea of private ownership, see little in the new development to help their interests. The conditions which are laid down—small packets of shares for low-income people—offer little business for them. If, on the other hand, such limited ownership conditions were removed, then strong protests would result from political parties, including many on the left wing of Chancellor Konrad Adenauer's own party, since it would be argued that the political reasons for a change were being disregarded from the start.

Wider distribution of ownership in industry in the Federal Republic today must begin through allocations of shares in new enterprises. Also, much educational work needs to be done among that section of the community it is intended to benefit before the scheme can succeed.

Meanwhile the Volkswagen Works continues increasing its prosperity with an average production of 2,000 new autos daily and a turnover of more than 1,800,000,000 marks or nearly \$420,000,000 annually.